

ORIGINAL

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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CLERK
U.S. BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE:

W.R. GRACE & CO., et al.,

Debtors.

Chapter 11

Case No. 01-01139-JJF
(Jointly Administered)

**REQUEST FOR DIRECTION FROM BANKRUPTCY COURT BY
INTERESTED PARTIES HARTFORD ACCIDENT AND
INDEMNITY COMPANY, FIRST STATE INSURANCE
COMPANY AND TWIN CITY FIRE INSURANCE COMPANY**

Hartford Accident and Indemnity Company ("Hartford"), First State Insurance Company ("First State") and Twin City Fire Insurance Company ("Twin City") (collectively, the "Hartford Defendants") respectfully seek the Bankruptcy Court's direction in connection with their rights and obligations under a pre-petition settlement agreement they entered with Debtors W.R. Grace & Co., a Delaware Corporation ("Grace-Del.") and W.R. Grace & Co.-Conn. (collectively, "Debtors"). 1/

Debtors and the Hartford Defendants were parties to numerous pre-petition actions in which Debtors sought insurance coverage for underlying asbestos-related claims. In or about October 1998, the Hartford Defendants and

1/ W.R. Grace & Co., a New York Corporation which has changed its name to Fresenius National Care Holdings, Inc., is also a party to the pre-petition settlement agreement.

Debtors entered into an Asbestos Settlement Agreement and Release (the "Agreement"). The terms of the Agreement are confidential and the Hartford Defendants accordingly have not attached it.

Under the Agreement, the Hartford Defendants are expected to make payments by certain dates. The Hartford Defendants have made the expected pre-petition payments. But for Debtors' Chapter 11 filings, the Hartford Defendants would be expected to make certain additional payments in the future. The Agreement directs the Hartford Defendants to make payment by direct wire transfer to a particular bank account with "W.R. Grace & Co" as the account name.

Debtors filed a voluntary Chapter 11 petition in this Court on April 2, 2001. The Hartford Defendants are uncertain as to what effect, if any, this filing has on the Hartford Defendants' obligations under the Agreement. The Hartford Defendants are prepared to make all payments, but they desire to make the payments to the correct person or entity, and they desire to do so consistent with the views of the Bankruptcy Court, which the Hartford Defendants understand is charged with collecting the Debtors' assets. The Hartford Defendants accordingly seek direction from the Court regarding their payment obligations under the Agreement, including when and to whom payment should be made.

Respectfully submitted,

By: James P. Ruggeri / S.A.S.

James P. Ruggeri

Scott A. Shail

HOGAN & HARTSON, L.L.P.

555 Thirteenth Street, N.W.

Washington, D.C. 20004-1109

Telephone: (202) 637-5600

Facsimile: (202) 637-5910

Counsel for Hartford Accident and
Indemnity Company, First State Insurance
Company and Twin City Fire Insurance
Company

Dated: June 13, 2001

CERTIFICATE OF SERVICE


I hereby certify that a true and correct copy of the foregoing Request
For Direction From Bankruptcy Court By Interested Parties Hartford Accident And
Indemnity Company, First State Insurance Company, And Twin City Fire
Insurance Company was mailed, postage prepaid, this 13th day of June, 2001 to:

Laura Davis Jones, Esq.
David Carickoff, Esq.
Pachulski, Stang, Ziehl, Young & Jones
919 North Market Street, 16th Floor
P.O. Box 8705
Wilmington, DE 19899-8705

Mark Kenney, Esq.
Office of the United States Trustee
601 Walnut Street, Curtis Center
Suite 950 West
Philadelphia, PA 19106

James H.M. Sprayregen, Esq.
James Kapp III. Esq.
Kirkland & Ellis
200 East Randolph Drive
Chicago, IL 60601

David G. Seigel
W.R. Grace and Co.
7500 Grace Drive
Columbia, MD 21044



Scott Shail